

DEPARTMENT OF SOCIAL SERVICES

DIVISION OF MEDICAL SERVICES

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November 7, 2014

**ATTENTION: Providers and Billing Professionals**

**FROM: Lori Thompson, Assistant Division Director, South Dakota Medicaid**

**RE: Third Party Payment Reporting**

Effective January 7, 2014, an update occurred to ARSD 67:16:26:05 regarding the reporting of third party payments. During the course of calendar year 2014 claims have been monitored and adjusted for this update. On December 4, 2014 programming will be installed which will automate the process and make filing claims easier for the provider.

- Contractual Obligations are to be reported in the shaded area of line 24.A. using the code "CTR". If you are listing an NDC number in this field you may also list the CTR. There is no particular order in which the NDC and CTR should be reported.
- Only *actual payments* received from other payers should be listed in the shaded area of line 24.F. Please review the Provider Billing Manual for updates.

***This notice does not affect those providers being paid an encounter rate or a per diem, such as Rural Health Clinics, Federally Qualified Health Centers, or Indian Health Services. This also does not affect Medicare Crossover claims.***

Please evaluate your billing practices to ensure these steps are completed. Please forward this message to all South Dakota Medicaid billing professionals in your organization. If you have any questions, please contact South Dakota Medicaid at (605) 773-3495.

Thank you,

Lori Thompson  
Assistant Division Director  
South Dakota Medicaid